

FISCAL NOTE

SB 551 - HB 780

March 8, 2003

SUMMARY OF BILL: Prohibits the use of social security numbers on health insurance cards after July 1, 2003 and requires an identification number that does not utilize the social security number.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$500,000

Increase Local Govt. Expenditures Exceeds \$100,000

Other Fiscal Impact -Increase Federal Expenditures - Exceeds \$1,000,000

Estimate assumes:

- Currently the TennCare program uses social security numbers for identification. This bill would require issuance of new cards to all TennCare enrollees by the managed care organizations and the behavioral health organizations.
- System updates for both the TennCare and DHS information systems would also be necessary.
- The state also uses the social security number as an identification number on cards issued to state employees. System updates for the state employees health insurance program would be necessary.
- New cards are not issued annually for TennCare or under the state employees health insurance program.
- A similar impact to local governments that utilize the state plan to provide health insurance for their employees is estimated.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director